



APPROPRIATIONS UPDATE

HOUSE COMMITTEE ON THE BUDGET
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TRANSPORTATION APPROPRIATIONS BILL FOR FISCAL YEAR 2003 H.R. 5559

SUMMARY

The Transportation appropriations bill (H.R. 5559), as reported by the House Appropriations Committee on 7 October 2002, is consistent with the House Concurrent

Resolution on the Budget for Fiscal Year 2003 (H. Con. Res. 353). The legislation complies with requirements of the Congressional Budget Act.

COST OF THE LEGISLATION

As reported, H.R. 5559 provides \$19.413 billion in new budget authority [BA] and \$62.358 billion in outlays for 2003. This represents a reduction of \$2.679 billion in BA, and an increase of \$5.947 billion in outlays, from fiscal year 2002. Total 2002 funding for the Department of Transportation and related agencies included \$6.9 billion in emergency supplemental appropriations to establish the Transportation Security Administration and to rebuild New

York transit and roadways. Outlays in 2003 increase despite the reduction in budget authority because outlays continue to flow from the large fiscal year 2002 BA increase. Assuming enactment of H.R. 5559, spending in agencies covered by this bill has increased an average of 13.5 percent a year in the past 3 years. The bill does not contain rescissions of previously enacted BA or advance appropriations.

Table 1: Transportation Appropriations Bill^a
(fiscal years; millions of dollars)

	2002 Enacted ^b	Administration 2003 Request	302(b) for 2003	2003 Bill
Budget Authority	22,092	18,952	19,413	19,413
Outlays	56,411	60,937	62,368	62,358

^a Excludes Mass Transit budget authority, which is not counted in determining compliance with the budget resolution.

^b Represents House current status adjusted to reflect Transportation's share of unallocated emergency outlays.

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READER'S NOTE

Although this measure did not reach the floor, the Appropriations Committee did complete action on it before adjournment of the 107th Congress.

This document was prepared by the majority staff of the House Committee on the Budget. It has not been approved by the full committee and may not reflect the views of all the committee's members.

COMPLIANCE WITH THE BUDGET RESOLUTION

The bill complies with sections 302(f) and 311(a) of the Budget Act. The first of these sections prohibits consideration of bills in excess of a subcommittee's 302(b) allocation. The second, section 311(a), prohibits consideration of legislation exceeding the overall levels of budget authority and outlays established in the concurrent resolution on the budget. The \$19.413 billion in new discretionary BA is equal to the 302(b) allocation to the House Appropriations Subcommittee on Transportation; outlays are \$10 million less than the allocation.

The bill uses the funds held in reserve, under section 204 of the House budget resolution, to augment the Highway Trust Fund. Under a formula known as Revenue-Aligned Budget Authority [RABA], established in the most recent transportation authorization bill, the obligation limitation for the Federal Aid-Highways Program is to track with the rise or fall of highway tax revenue. The budget resolution's

reserve fund withheld \$1.18 billion from the Appropriations Committee's outlay allocation to hold the Highway Trust Fund harmless for the reduction in the obligation limitation resulting from a projected decline in 2003 highway tax revenues. Release of the funds was to be subject to further legislative action. The Supplemental Appropriations Act for Further Recovery from and Response to Terrorist Attacks (Public Law 107-206) eliminated the 2003 adjustment in the RABA formula. This results in a \$4.4-billion increase in the obligation limitation for the Federal Aid-Highways Program, and a \$1.18-billion increase in the 2003 outlay cap for the highway category (to about \$27.7 billion). The provision in this appropriations bill, making use of the reserve fund amount, is consistent with the fiscal year 2003 budget allocations and spending levels in the budget resolution. The House Budget Committee Chairman released the \$1.18 billion in outlays, and has adjusted the Appropriations Committee's allocation by this amount.

Table 2: Discretionary Spending in the Transportation Appropriations Bill

(in millions of dollars)

	Budget Authority	Outlays
Coast Guard	5,172	4,985
Transportation Security Administration	2,319	3,349
Federal Aviation Administration	10,199	13,704
Federal Highway Administration	149	30,159
Federal Transit Administration ^a	0	7,896
Federal Railroad Administration	956	1,086
National Highway Traffic Safety Administration	133	422
Research and Special Programs Administration	98	92
Federal Motor Carrier Safety Administration	85	375
National Transportation Safety Board	71	72
Other	231	218

^a Excludes Mass Transit budget authority of \$1.445 billion which is not counted in determining compliance with the budget resolution.

DISCUSSION

The bill is \$461 million in BA higher than the President's request, due to the following:

- An increase of \$305 million for the Federal Railroad Administration. The additional funds provide increases

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for Amtrak (\$241 million), safety operations (\$44 million), railroad research and development (\$13 million), and next generation high speed rail (\$7 million).

- An increase of \$167 million for the Coast Guard. The increase is largely due to exclusion of the navigation assistance user fee that was proposed in the President's budget submission (\$165 million), and increases for alteration of bridges (\$17 million). These increases are offset by reductions in Coast Guard operating expenses (\$14 million), and in research, development, testing and evaluation (\$1 million).
- An increase of \$149 million for the Federal Highway Administration. The increase is for the Appalachian Development highway system (\$100 million), and Federal-Aid Highways (\$49 million).
- An increase of \$25 million for the Federal Motor Carrier Safety Administration, to cover safety monitoring costs related to foreign trucks required by the North American Free Trade Agreement [NAFTA]. The administration proposed paying for this increase by diverting funds from other Federal-Aid programs, but the reported bill does not include that proposal.
- An increase of \$80 million for the Federal Aviation Administration. This is due to additional funds for

grants in aid for airports (\$83 million) and research, engineering and development (\$14 million). The increases are partly offset by a reduction in operations (\$17 million).

- A reduction of \$253 million for the Transportation Security Administration. This occurs because the committee-reported bill does not include all of the \$546 million budget amendment requested by the President in early September.
- A reduction of \$14 million for activities listed as "Other." This includes mainly a reduction in the Essential Air Service program (\$13 million). The committee-reported bill maintains the current level of support for this program from overflight fees (\$50 million), and provides a regular appropriation (\$50 million) to supplement spending in excess of the fees. The administration proposed reducing support from overflight fees, and paying for the excess by diverting funds from the Airport Improvement Program.
- An increase of \$2 million for various programs. This includes increases for the National Highway Traffic Safety Administration (\$5 million), and the National Transportation Safety Board (\$1 million), which are offset by a reduction in Research and Special Programs (\$4 million).

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